

College and Universities

STARS Number & Budget Unit: 501 EDGE, 511 EDGD, 512 EDGA, 513 EDGB, 514 EDGC

Bill Number & Chapter: H471 (Ch. 367)

PROGRAM DESCRIPTION: Idaho's four baccalaureate institutions of higher education are the University of Idaho in Moscow, Idaho State University in Pocatello, Boise State University in Boise and Lewis-Clark State College in Lewiston. They provide a wide variety of undergraduate and, with the exception of LCSC, graduate degree programs to meet the personal and professional needs of the citizens of Idaho and the state's workforce. To varying degrees, each campus conducts research, service and outreach programs. Each institution reports to, and this statewide system of higher education is coordinated by, the State Board of Education.

PROGRAM SUMMARY:	FY 2002 Total Appr	FY 2002 Actual	FY 2003 Total Appr	FY 2004 Request	FY 2004 Gov Rec	FY 2004 Approp
BY FUND SOURCE						
General	229,723,600	228,925,300	213,558,800	226,631,100	222,495,000	218,000,000
Dedicated	97,941,300	83,570,000	101,656,800	94,270,100	102,595,000	109,172,400
Total:	327,664,900	312,495,300	315,215,600	320,901,200	325,090,000	327,172,400
Percent Change:		(4.6%)	0.9%	1.8%	3.1%	3.8%
BY EXPENDITURE CLASSIFICATION						
Personnel Costs	0	240,770,000	0	0	0	0
Operating Expenditures	0	57,402,400	0	0	0	0
Capital Outlay	0	14,322,900	0	0	0	0
Lump Sum	327,664,900	0	315,215,600	320,901,200	325,090,000	327,172,400
Total:	327,664,900	312,495,300	315,215,600	320,901,200	325,090,000	327,172,400
Full-Time Positions (FTP)	3,677.20	3,759.74	3,552.82	3,594.66	3,594.66	3,590.51
DECISION UNIT SUMMARY:	FTP	General	Dedicated	Federal	Total	
FY 2003 Original Appropriation	3,552.82	213,558,800	80,884,200	0	294,443,000	
Reappropriations	0.00	0	20,772,600	0	20,772,600	
Other Approp Adjustments	0.00	0	0	0	0	
FY 2003 Total Appropriation	3,552.82	213,558,800	101,656,800	0	315,215,600	
Expenditure Adjustments	37.69	0	16,317,800	0	16,317,800	
FY 2003 Estimated Expenditures	3,590.51	213,558,800	117,974,600	0	331,533,400	
Removal of One-Time Expenditures	0.00	0	(21,991,900)	0	(21,991,900)	
Base Adjustments	0.00	0	0	0	0	
FY 2004 Base	3,590.51	213,558,800	95,982,700	0	309,541,500	
Personnel Cost Rollups	0.00	2,536,400	779,000	0	3,315,400	
Nonstandard Adjustments	0.00	819,000	13,496,500	0	14,315,500	
MCO Only Fund Shift	0.00	1,085,800	(1,085,800)	0	0	
FY 2004 Maintenance (MCO)	3,590.51	218,000,000	109,172,400	0	327,172,400	
Lump-Sum or Other Adjustments	0.00	0	0	0	0	
FY 2004 Total Appropriation	3,590.51	218,000,000	109,172,400	0	327,172,400	
Change From FY 2003 Original Approp.	37.69	4,441,200	28,288,200	0	32,729,400	
% Change From FY 2003 Original Approp.	1.1%	2.1%	35.0%		11.1%	

APPROPRIATION HIGHLIGHTS: This appropriation is a 2.1% General Fund increase over last year's budget. FY 2002 dedicated fund carryover totaling \$20.8 million was removed along with \$1.1 million of noncognizable funds as one-time money. The FY 2003 Expenditure Adjustments totaling \$16.3 million include the noncog funds and \$15.2 million in new student fee revenue that was generated by a 12% maximum fee increase approved by the State Board of Education and enrollment growth.

For FY 2004, new funding was included for personnel benefit costs but not for inflationary increases or Change in Employee Compensation (CEC). Compensation increases may be funded with agency salary savings wherever possible.

Several separate items are included in Nonstandard Adjustments that total \$14.3 million. Changes in State Controller, Treasurer and insurance fees total \$473,900. The Enrollment Workload Adjustment received \$651,900. EWA money is intended to pay for the state's portion of the increased costs associated with higher enrollments. Dedicated fund revenue totaling \$14.9 million is projected to be generated by a State Board of Education-approved maximum 10% increase in student fees and enrollment growth for FY 2004. It is unusual to have two years of new student fee revenue included in a single year appropriation. Since the Legislature has usually adjourned prior to when the State Board of Education determines coming fiscal/academic year fee increases, only the previous fiscal year's new fee revenue is typically included in the appropriation. However, with the historic length of the 2003 legislative session, the State Board set the new fees prior to Sine Die. Having two years of student fee increases in this single year appropriation is misleading and inflates the dedicated fund increase. Finally, due to poor investment performance, distributions from the various endowments that benefit higher education in Idaho will be reduced by \$1.7 million.

The dedicated fund portion of the increased employer-paid benefit costs and the interagency billings are shifted onto the General Fund.

The single requested enhancement was \$2.3 million for the first year of a planned five year effort to address an inequity in funding between the four-year institutions as determined by the State Board of Education. The governor did not recommend nor did the Legislature provide any funding for this request.

LEGISLATIVE INTENT: Consistent with past appropriations, the FY 2004 College & Universities appropriation was granted as a lump sum with no full-time equivalent position cap. Intent language was included to limit the amount of money that may be spent for system-wide needs to \$75,000, limit the amount that may be used for Higher Education Research Center grants to not more than \$1.6 million, limit

the amount that may be used for technology incentive grants and related items to \$1.75 million, limit the amount that may be used for activities associated with Idaho's Comprehensive Literacy Act to \$500,000, limit the amount that may be used for the Governor's Excellence Initiative to \$1.3 million, make certain code sections available with regard to the appropriation, require the tracking and reporting of faculty and staff turnover statistics at the institutions, and provide carryover authority from FY 2003 into FY 2004 for any unexpended and unencumbered moneys.

FY 2004 APPROPRIATION:	<u>FTP</u>	<u>Pers. Cost</u>	<u>Oper Exp</u>	<u>Cap Out</u>	<u>T/B Pymnts</u>	<u>Lump Sum</u>	<u>Total</u>
G 0001-00 General	3,590.51	0	0	0	0	218,000,000	218,000,000
D 0481-02 Ag College Income	0.00	0	0	0	0	960,000	960,000
D 0481-03 Charitable Institutions	0.00	0	0	0	0	914,600	914,600
D 0481-04 Normal School	0.00	0	0	0	0	3,195,000	3,195,000
D 0481-06 Scientific School	0.00	0	0	0	0	3,785,000	3,785,000
D 0481-08 University Income	0.00	0	0	0	0	3,110,000	3,110,000
D 0650-00 Unrestricted Current	0.00	0	0	0	0	31,062,100	31,062,100
D 0660-00 Restricted Current	0.00	0	0	0	0	66,145,700	66,145,700
Totals:	3,590.51	0	0	0	0	327,172,400	327,172,400